

**MSCPA Peer Review Executive Committee Non-AICPA Member Resolution**  
**(Adopted August 15, 2006)**

WHEREAS, a firm enrolled in the AICPA peer review program is required to have a peer review once every three years performed in conformity with the AICPA *Standards for Performing and Reporting on Peer Reviews*; and

WHEREAS, a firm enrolled in the AICPA peer review program is required under the AICPA *Standards for Performing and Reporting on Peer Reviews* to cooperate with the administering entity and with the AICPA Peer Review Board in all matters related to the review;

NOW, THEREFORE, BE IT RESOLVED: A non-AICPA member firm that fails to cooperate with the administering entity by (1) failing to timely file the report (signed by the firm on a report review), letter of comments, if any, and the response thereto related to its peer review or (2) failing to timely acknowledge and complete required corrective or monitoring actions will be advised by certified mail that the MSCPA Peer Review Resolution Board will appoint a 5 member hearing panel to consider whether the firm's enrollment in the peer review program should be terminated. A non-AICPA member firm enrolled in the AICPA peer review program that has been notified that it is the subject of such a hearing may not resign until the matter causing the hearing has been resolved. After a hearing is held, a non-AICPA member firm enrolled in the AICPA peer review program has the right to appeal the panel's decision to the MSCPA Executive Resolution Board within 30 calendar days of the hearing; and

BE IT FURTHER RESOLVED: That a non-AICPA member firm's failure to cooperate with the administering entity would also include failing to receive an unmodified peer review after (1) receiving at least two consecutive peer reviews prior to the third that were modified and/or adverse AND (2) receiving notification via certified mail after the second consecutive modified and/or adverse peer review report that a third consecutive failure to receive an unmodified peer review report may be considered a failure to cooperate with the administering entity. Report reviews containing significant comments are considered equivalent to failing to receive an unmodified report for the purposes of this resolution.

BE IT FURTHER RESOLVED: The administering entity has the authority to determine if a firm's response is substantive. If the administering entity determines that a response is not substantive, and the firm does not revise its response or submits additional responses that are not substantive as determined by the administering entity, this would also be deemed a firm's failure to cooperate.

BE IT FURTHER RESOLVED: A non-AICPA member firm's enrollment in the AICPA Peer Review Program will be terminated for failure to cooperate in any of the above situations, without a hearing, upon receipt of a plea of guilty from the firm